



The President's Daily Brief

12 May 1969

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I. MAJOR PROBLEMS

EUROPE

The question of whether to revalue the West German mark has had strong political overtones in Bonn. The cabinet, at its meeting Friday to discuss the monetary situation, split along party lines with all Social Democrats favoring revaluation and the Christian Democrats opposed to such a move. An economics sub-cabinet group was set up to work out alternative measures to revaluation but Economics Minister Schiller, a Social Democrat, apparently has refused to preside over the group.

The monetary crisis is particularly touchy at this time because all major leaders in Bonn have their eyes focused on the national elections next September. The Christian Democrats believe that if the government refuses to revalue it will increase their chances for victory--a recent poll showed 87 percent opposed to revaluation.

SOVIET AFFAIRS

[redacted] reported that the Soviet central committee will convene today for the first time since December. The postponement of President Podgorny's departure for North Korea from today until Wednesday lends weight to the reports.

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[redacted] there will be two items on the agenda: the forthcoming international conference of

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Communist parties and the ways to improve the application of science and technology to the economy. Consideration of the documents related to the conference by the central committee prior to the "final" preparatory meeting scheduled for 23 May would be in line with the directive issued by the last preparatory session in March.

MIDDLE EAST

There is nothing significant to report.

VIETNAM

There is nothing significant to report.

II. OTHER IMPORTANT DEVELOPMENTS

NIGERIA

Federal leader Gowon has reshuffled his military command in an effort to get his forces back on the offensive. There has been no significant opposition to the changes because they seem directed at the most corrupt and incompetent of the high-level officers, and because Gowon paid due regard to tribal sensitivities by reassigning the officers to less important positions. In spite of this move, it will be some time before the new commanders can launch a successful offensive. The federal forces have been bogged down in the north by serious supply problems and they have been losing ground steadily on the southern front.

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